



## U.S. Department of Justice

*United States Attorney  
Eastern District of Arkansas*

**FOR IMMEDIATE RELEASE**  
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**CONTACT: Jane W. Duke**  
**United States Attorney**  
**501-340-2600**

### **McGEHEE LAWYER SENTENCED FOR THEFT OF CLIENT FUNDS**

**Little Rock** - Jane W. Duke, United States Attorney for the Eastern District of Arkansas, announced that former attorney Billy Ray Holloway, age 69, was sentenced to two years probation and was ordered to pay \$216,720.57 in restitution by United States District Judge Susan Webber Wright for embezzling client funds.

Under the terms of the plea agreement, Holloway waived indictment and pled guilty to two counts of mail fraud on November 21, 2008. According to the Information, Holloway embezzled the settlement proceeds in two different personal injury cases he handled during 2007. In each case, Holloway negotiated a settlement with Wal-Mart Stores, Inc. on behalf of the clients. In each case, Wal-Mart Stores, Inc. mailed a \$7,000 settlement check to Holloway's McGehee law office. Holloway then deposited the checks into his law firm's business account. In one instance, Holloway never disclosed the receipt of the settlement funds to his clients. In the other instance, Holloway falsely told the client that he was required to retain the settlement proceeds in his client trust account for 30 days before he could disburse the monies to the client. In both cases, Holloway diverted the money for his own use and benefit and the clients were never paid. In accordance with the terms of the plea agreement, Holloway surrendered his license to practice law.

Although Holloway pled guilty to and was sentenced for two counts of mail fraud, the United States argued at sentencing for restitution in an amount higher than the actual losses charged in the Information in order to compensate additional victims. Judge Wright determined the restitution amount to be \$216,720.57. Restitution will be paid to the victims through the Supreme Court of Arkansas Client Security Fund.

This case was investigated by the Little Rock Field Office of the Federal Bureau of Investigation and the Arkansas State Police. It was prosecuted by Criminal Chief Patrick C. Harris and Assistant United States Attorney Laura G. Hoey.

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